

# ERF Policy Brief

## School-To-Work Transition in Jordan, 2010-2025

Marian Atallah and Halah Alattas

### About the authors

Marian Atallah is an Economist at the International Monetary Fund's Fiscal Affairs Department.

Halah Alattas is an Assistant Professor of Economics at the Faculty of Economics and Administration; King Abdulaziz University (KAU), Jeddah, Saudi Arabia.

### In a nutshell

- Despite gains in educational attainment, rising unemployment and inactivity among youth are pressing concerns in the Jordanian labor market.
- In 2025, nearly 40 percent of Jordanian youth aged 15–29 were not in education, employment, or training (NEET), reflecting untapped human capital.
- Recently graduating cohorts are taking longer on average to secure a first job compared with older cohorts, with less educated men being particularly disadvantaged.
- First jobs are increasingly precarious, with a higher share of youth entering the labor market for the first time in informal jobs.
- Misalignment between education and job requirements remains evident in Jordan's youth labor market, with overeducation persisting especially among women, more educated workers, and those employed in the informal sector.

*This work is unrelated to the author's IMF employment and was undertaken in her personal capacity. Any views expressed in this policy brief are therefore those of the author and do not necessarily reflect the views of the IMF, its Executive Board, or management.*

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## 1. Demographic pressures and youth labor market challenges in Jordan

Jordan's youth population has expanded over the past decade, creating sustained pressure on the labor market. Between 2010 and 2025, the number of young people aged 15–29 increased by nearly 80 percent, while those aged 15–34 grew by more than 80 percent, reflecting strong demographic momentum driven by high population growth and regional inflows. Although youth now represent a slightly smaller share of the total population, their absolute numbers continue to rise, intensifying competition for limited employment opportunities. Jordanian nationals consistently account for the majority of the youth population, while fluctuations among non-Jordanian youth—particularly in the mid-2010s—highlight the role of forced displacement and regional instability in shaping labor supply dynamics. These demographic trends suggest that labor market pressures are structural rather than cyclical, underscoring the need for integrated policies that align education planning, youth employment strategies, and labor demand—especially for nationals—rather than relying on short-term employment programs or demographic absorption through public sector hiring.

Beyond demographic expansion, educational attainment among Jordanian youth aged 15–34 has improved markedly over the past decade, reflecting sustained expansion in access to secondary and tertiary education. The steady rise in university-educated youth and the parallel decline in those with only basic schooling signal a structural upgrading of human capital across cohorts. However, this progress is uneven by gender. Women have experienced faster educational advancement than men, particularly at the university level, leading to a widening gender gap in favor of women among younger cohorts. While this represents a major achievement in female educational inclusion, it also raises concerns about growing imbalances between educational supply and labor market absorption—especially in an economy where employment creation has not kept pace with the rapid growth of highly educated entrants. Without stronger alignment between higher education outputs and labor demand, rising attainment—particularly among women—risks translating into higher rates of unemployment, inactivity, or educational mismatch rather than improved labor market outcomes.

The analysis in this brief draws on the Jordan Labor Market Panel Survey (JLMPS), a nationally representative longitudinal survey that follows households and individuals since 2010, with the most recent wave in 2025 providing updated evidence on demographic, educational, and labor market outcomes in Jordan. For the full analysis, see Atallah and Alattas (2026).

## 2. Youth labor market outcomes

Youth labor force participation in Jordan has weakened over time, with growing disparities by nationality and gender. While the Jordanian youth labor force (ages 15–34) as a share of the population expanded between 2010 and 2016, it declined slightly by 2025, even as the total youth labor force—including non-nationals—continued to grow.

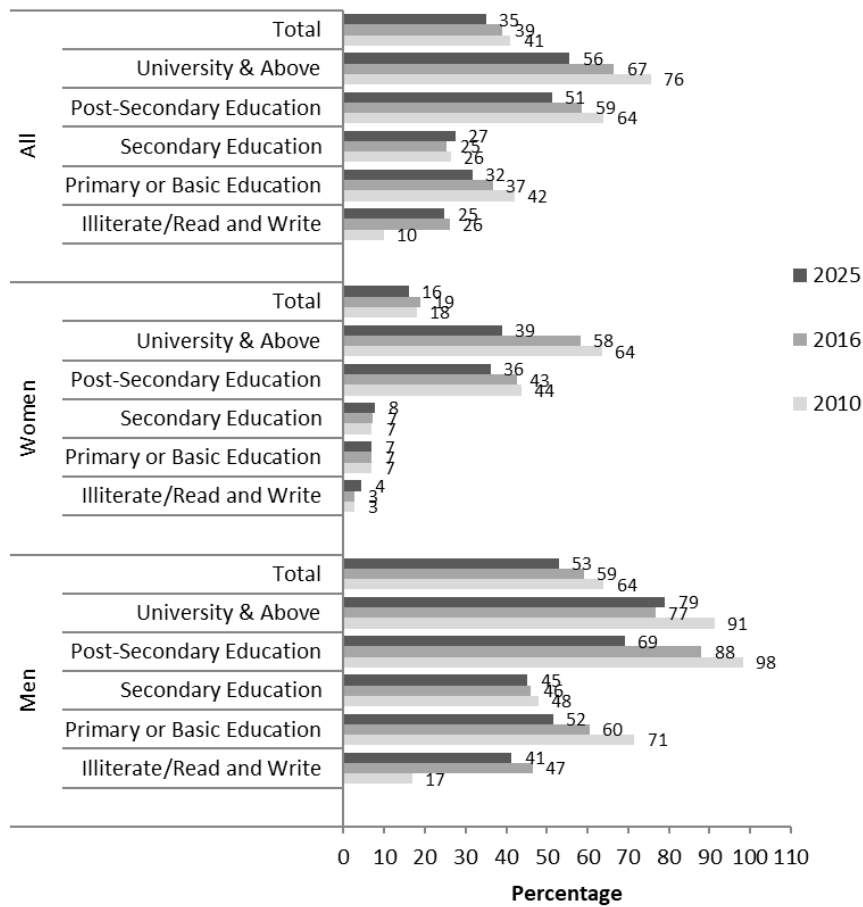
Labor force participation<sup>1</sup> among Jordanian youth declined from around 41 percent in 2010 to 35 percent in 2025 and remains highly unequal by gender. Men consistently exhibit much higher participation than women, with a gap exceeding 35 percentage points in 2025. While male participation fell steadily over time, the post-2016 decline was particularly pronounced among women, reflecting persistent structural barriers to female employment. Participation rises with educational attainment for both sexes, yet female participation has fallen sharply over time especially among university graduates, indicating that higher education alone has not translated into stronger labor market outcomes for young women (Figure 1).

The unemployment rate (as a percentage of the labor force) among young Jordanians aged 15–34 has visibly risen over 2010–2025, going from 16 to 26 percent between 2010 and 2016, and reaching 30 percent in the 2025 wave (Figure 2). The youngest age group (15–19) showed the largest increase in unemployment, from 43 percent in 2016 to 68 percent in 2025. By sex, young women had consistently higher unemployment

<sup>1</sup> Standard market definition of labor force participation. Under this definition, individuals are classified as part of the labor force if they are either employed in the past week or unemployed, with unemployment requiring active job search during the preceding four weeks.



Figure 1. Labor force participation rate (standard definition) by sex and educational attainment, Jordanian nationals aged 15–34, 2010-2025 (percentages)



Source: Author's calculations based on JLMPS 2010, JLMPS 2016 and JLMPS 2025

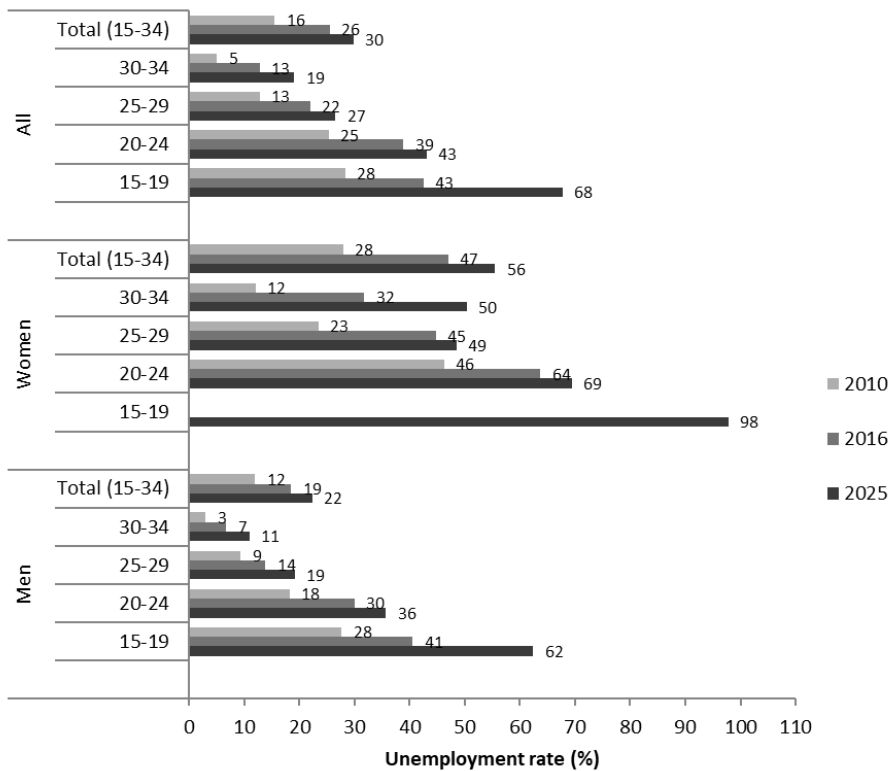
rates than young men. At 56 percent, the female unemployment rate in 2025 was substantially higher than the male unemployment rate which stood at 22 percent, although both have increased relative to the previous waves. For example, the unemployment rate among Jordanian women aged 30-34 showed a substantial increase from 12 percent in 2010 to 32 percent in 2016 and 50 percent in 2025.

Focusing on those aged 15-29, 39 percent of Jordanian youth were not in education, employment or training (NEET) in 2025, down by 2 percentage points from 2016, and still considerably higher than their initial

share of 31 percent in 2010 (Figure 3). The share of NEET youth rose considerably among those aged 25-29, with 58 percent of youth in this age group reporting NEET status, up from 50 percent in 2016 and 44 percent in 2010. Young women were also more likely to be NEET than young men, especially at older ages. Among NEET men, the share of those in discouraged unemployment rose from 3 percent in 2016 to 8 percent in 2025.



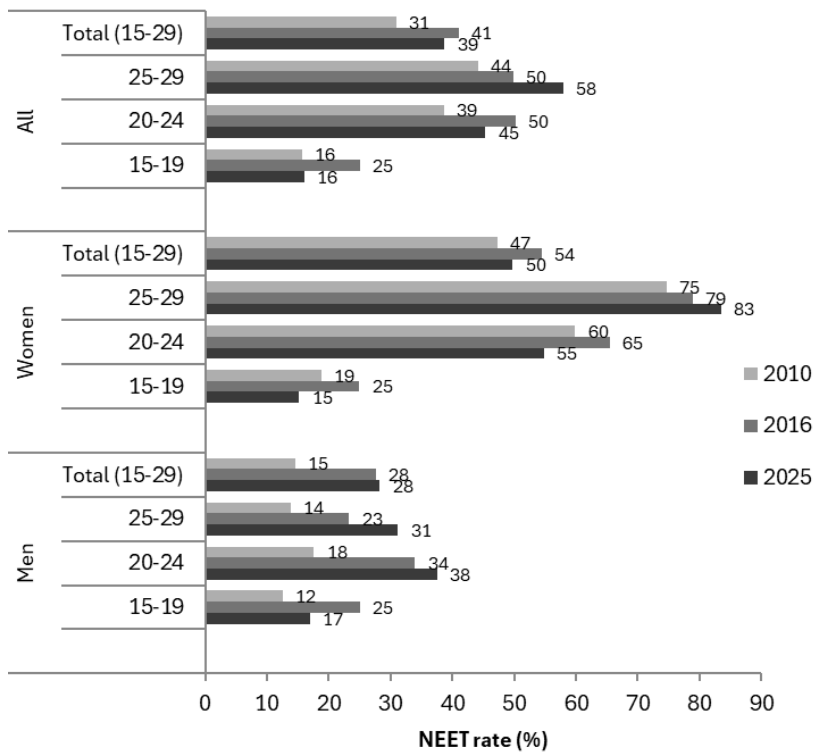
Figure 2. Unemployment rate, standard definition, by sex and age group, Jordanians aged 15-34, 2010-2025 (percentage of the labor force)



Source: Authors' calculations based on JLMPS 2010, 2016 and 2025

Note: The female unemployment rate among those aged 15-19 is suppressed in 2010 and 2016 due to insufficient sample sizes (n<30). In 2025, it is estimated using only 32 women in the labor force.

Figure 3. NEET rate by sex and age group, Jordanians ages 15-29, 2010-2025 (percentages)



Source: Authors' calculations based on JLMPS 2010, 2016 and 2025



### 3. The changing nature of school-to-work transitions in Jordan

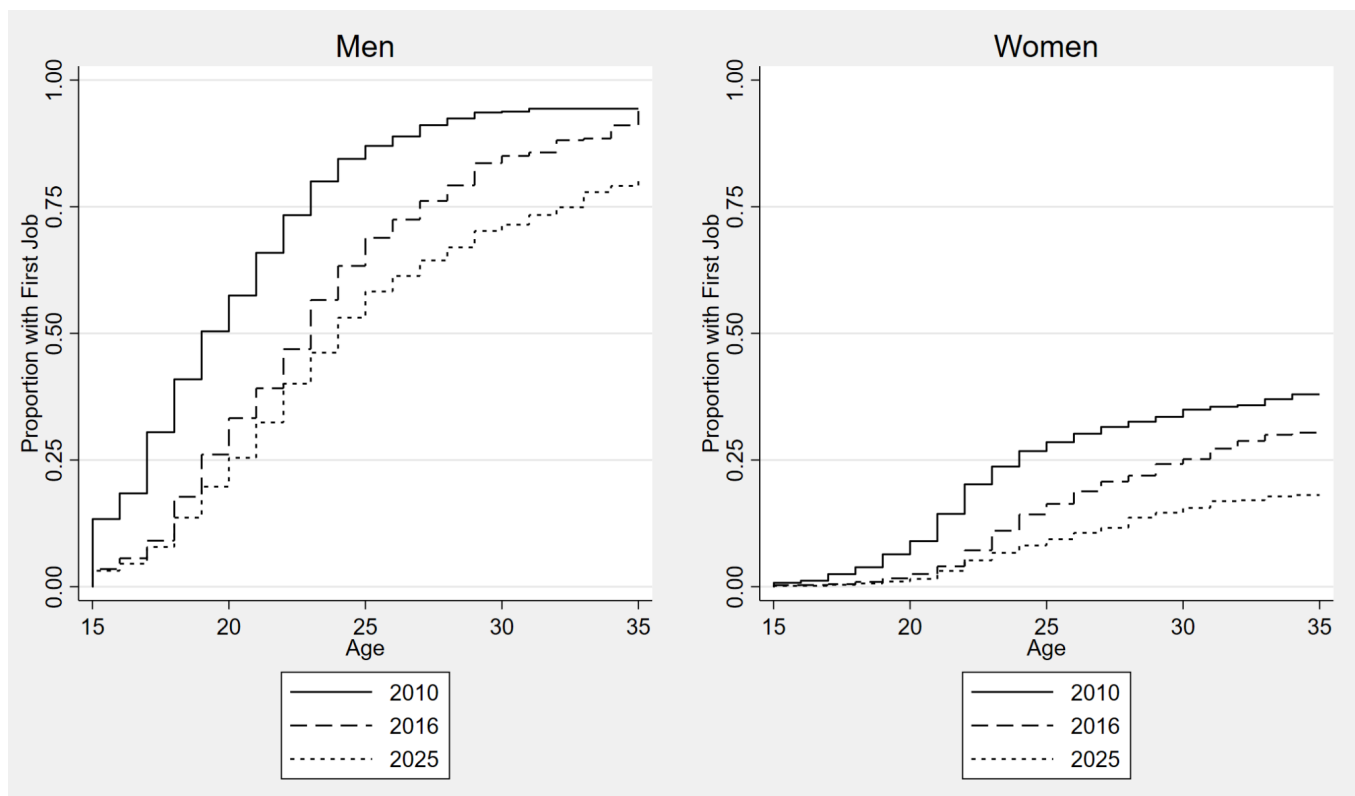
Comparison across the three JLMPS waves reveals a rise in the age at first job for both young men and women (Figure 4). By age 34, 94 percent of men had landed a job in 2010 compared with 91 percent in 2016 and 79 percent in 2025. The corresponding shares for women were much lower; 38 percent in 2010, 30 percent in 2016 and only 18 percent in 2025.

Examining the share of youth with a first job within a three-year window by sex and cohort of school exit, Figure 5 shows a decline in initial job entry rates among recent male cohorts compared with older graduates. For example, 42 percent of men who left school between 2017-2021 started their first job within three years of school exit, compared with 46 percent of men who graduated between 2012-2016. On the contrary, the share of women with a first job within three years of

graduation doubled from 6 percent in the older cohort to 12 percent in the more recent cohort.

Among those with a first job within three years of graduation, Figure 6 reports the distribution of first jobs by institutional sector of employment across cohorts. For both men and women, we observe a noticeable decline in public sector employment among recent graduates, especially women; from 36 percent in the 2012-2016 cohort to only 15 percent in the 2017-2021 cohort. On the other hand, the share of women with a first job in the formal private sector has increased from 55 percent to 65 percent between the two cohorts. Private informal employment as a first job has also expanded between the two cohort groups, by 10 percentage points for men and 7 percentage points for women. Finally, while no women in the older cohort started their employment in non-wage work, the corresponding share was 4 percent for women who left school between 2017 and 2021.

Figure 4. Proportion obtaining a first job by age and sex, Jordanians, aged 15–34, 2010-2025

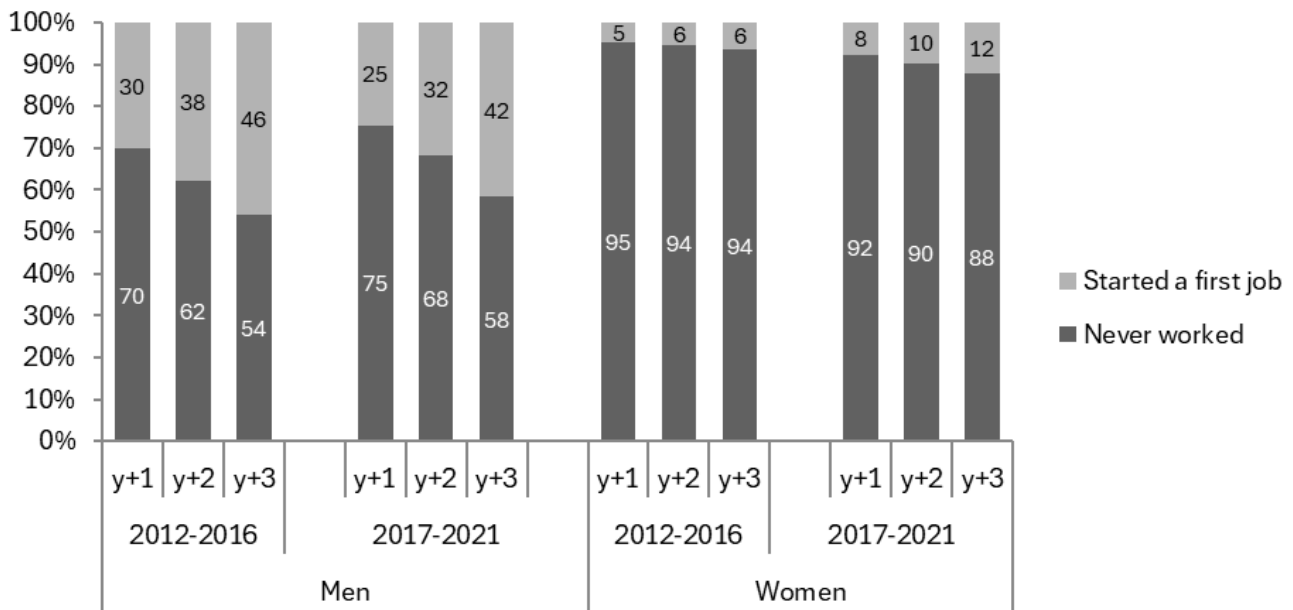


Source: Author's calculations based on JLMPS 2010, JLMPS 2016 and JLMPS 2025.

Note: Kaplan-Meier failure curves.

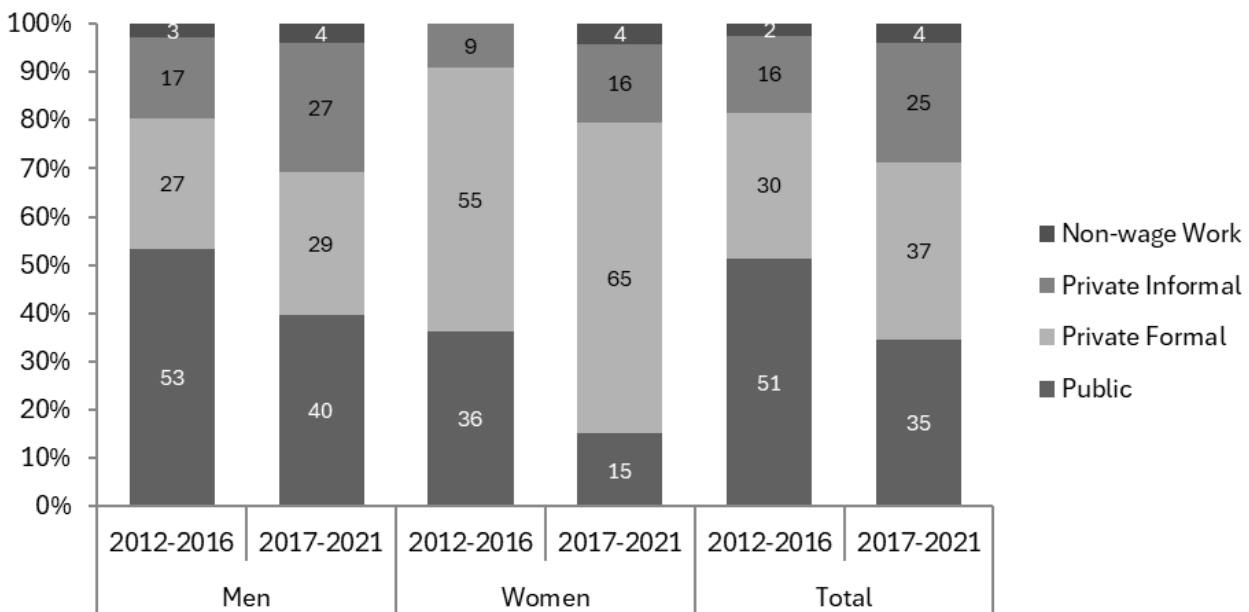


Figure 5. Labor market status within three years of graduation by sex and school exit cohort, Jordanians (percentages)



Source: Authors' calculations based on JLMPS 2025.

Figure 6. Type of first job by sex and school exit cohort, Jordanians (percentages)



Source: Authors' calculations based on JLMPS 2025



#### 4. Trends in educational mismatch among Jordanian youth

Recent evidence points to a slight improvement in job–education alignment among employed Jordanian youth between 2016 and 2025. The share of well-matched workers increased from 52 percent to 54 percent of employed youth (Figure 7), suggesting a marginal adjustment between educational attainment and job requirements, especially among men. However, overeducation remains widespread, affecting roughly one-third of employed youth, indicating that many young workers continue to occupy positions below their qualification levels.

Gender patterns require careful interpretation. Among men, job–education matching improved between 2016 and 2025, as the share of well-matched workers increased and both overeducation and undereducation declined slightly. However, men still show lower levels of well-matched employment than women, which may reflect their stronger attachment to the labor market and greater likelihood of accepting jobs even when these do not fully match their qualifications. By contrast, women’s higher observed matching should be interpreted cautiously, as it occurs alongside persistently low female labor force participation and may partly reflect selective entry into employment, where women are more likely to work only when suitable jobs are available.

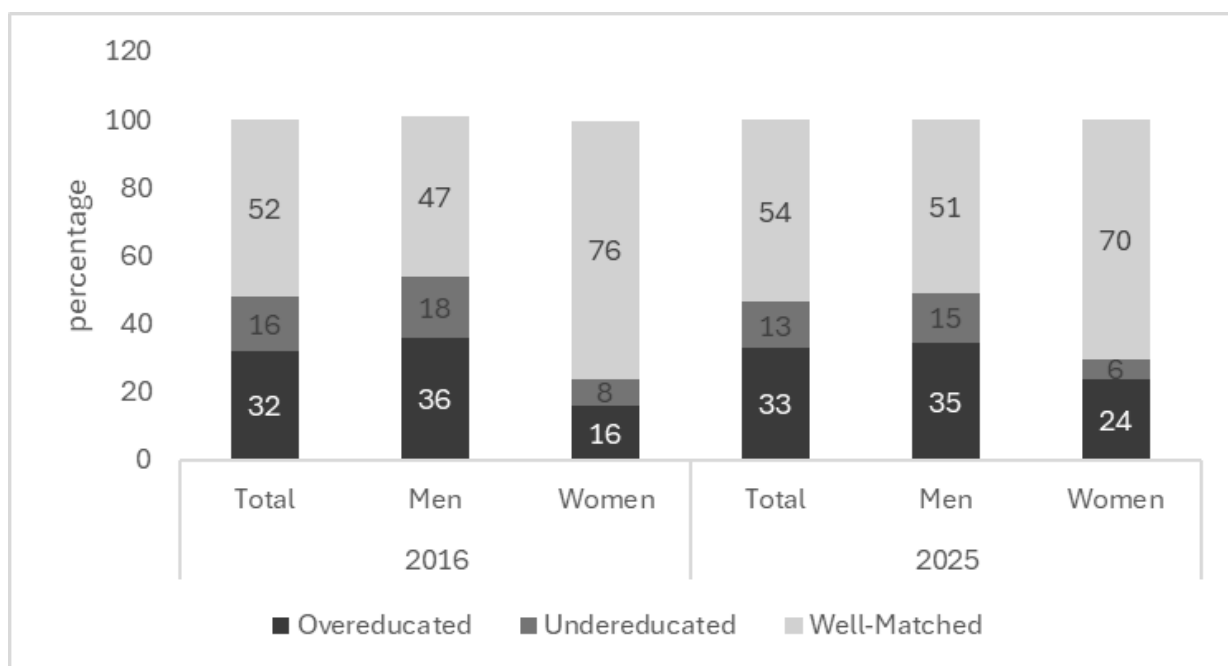
#### 5. Mismatch by education, occupation, and type of work

Disaggregated patterns show that educational mismatch is increasingly concentrated among more educated youth. While alignment improved among workers with basic education, it deteriorated among those with secondary and post-secondary education. Between 2016 and 2025, overeducation increased among youth with intermediate and higher levels of education, suggesting that educational expansion has outpaced the creation of jobs requiring these qualifications.

Occupational patterns point to a similar structural imbalance. Although well-matched employment increased across occupational groups, overeducation remained persistent in high- and medium-skilled occupations. This indicates that even when youth enter better-skilled occupational categories, their qualifications are not always fully utilized. Gender differences further complicate the picture: men experienced some improvement across occupational groups, while women continued to face weaker alignment in certain segments, particularly in lower-skilled occupations.

Sectoral differences are especially important. Improvements in matching were most evident in the public sector, where well-matched employment increased and overeducation declined. In the private formal sector, the picture was more mixed: well-matched employment

*Figure 7. Distribution of overeducated, undereducated and well-matched Jordanian workers by sex, ages 15–34, 2016–2025 (percentages)*



Source: Authors' calculation based on JLMPS 2016 and JLMPS 2025



increased slightly, but overeducation also rose, suggesting that improved matching did not fully translate into a reduction in educational mismatch. In contrast, the informal private sector showed little improvement, with low levels of well-matched employment and persistent or rising overeducation. For women, the pattern is more concerning: although matching improved in the public sector, overeducation increased in both formal and informal private employment. This suggests that the informal sector remains a key source of educational mismatch, particularly for educated women (Atallah & Alattas, 2026).

## 6. Conclusions and policy implications

Improving the school-to-work transition in Jordan requires a carefully calibrated mix of education and labor market reforms along with targeted youth employment policies. The challenge is not only high youth unemployment (Groh et al. 2015), but also extended transition periods, persistent skill mismatches, weak private-sector demand, and consistently low female labor force participation (ILO, 2023). Policy options include improving vocational pathways and apprenticeship systems, including by expanding high-quality vocational education programs, and ensuring curricula are aligned with evolving labor demand. This can be done through the introduction of short-term and competency-based certification systems, and the creation of nationally recognized occupational standards, especially in sectors with labor shortages. However, this would need to be tested and tailored to the Jordanian context as the impact of vocational training programs has been found to be modest elsewhere (Hirshleifer et al., 2016).

As evidence on what works remains fragmented, taking stock of previous active labor market programs (ALMPs) through rigorous evaluation is important to build a strong evidence base and ensure that funds are allocated to high-impact projects, the “Youth Employment Inventory (YEI)” Jordan database being one such initiative (ILO, 2017). On the supply side, efforts to improve the social preference for TVET among youth (as compared to traditional university education) could complement the above policies to ensure a smoother school-to-work transition. For women, policies that encourage flexible work, including remote or part-time work arrangements and affordable childcare, could help raise participation rates and reduce young women’s reluctance to enter the job market (Al-Hawarin et al., 2020; World Bank, 2024).

Findings from the job-education mismatch analysis imply both personal and economy-wide costs to

misalignments between youth education and the skills required by their occupations (Khan, 2019). Mismatch among working youth in Jordan is not only an education-side problem, but also a labor demand problem. Expanding education alone will not improve youth labor market outcomes unless the economy generates more medium- and high-skill jobs that can absorb increasingly educated young workers. Besides the need to strengthen school-to-work transition systems, including through career guidance, employer-linked training, internships (McKenzie, Assaf & Cusolito, 2016), and better use of labor market information to align education programs with actual demand, reducing informality and expanding formal private-sector employment should be treated as central to the mismatch agenda, especially for women. Without stronger demand for skilled labor and clearer pathways into formal employment, continued educational expansion risks translating into higher overeducation rather than better youth employment outcomes.



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